DRILLING CO., INC. - OIL WELL DRILLING CONTRACTORS P. D. Box 1498 ROSWELL, NEW MEXICO 88202-1498 505/623-5070 505/746-2719 ROSWELL, NM ARTESIA, NM

January 27, 1995

Read & Stevens, Inc. P.O. Box 1518 Roswell, N.M. 88202

RE: Nix Federal # 3

Gentlemen:

The following is a Deviation Survey on the above referenced well located in Eddy County, New Mexico.

145° - 1°	1708' - 1°	3122' - 2°	4813' - 1°
415' - 1/4°	2217' - 2°	3425' - 1 1/2°	5304' - 1°
759' - 1 1/4°	2520' - 2 1/4°	3824' - 1 1/2°	5793' - 1°
1217' - 1 1/4°	2663' - 2 1/2°	4320' - 1°	6100' - 1 3/4° T.D.

Sincerely,

Gary W. Chappell Contracts Manager

The foregoing was acknowledged before me this 27th day of January 1995 by Gary W. Chappell.

NOTARY PUBLIC

MY COMMISSION EXPIRES

October 07, 1996